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C O N F I D E N T I A L SECTION 01 OF 04 NEW DELHI 000659

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SUBJECT: THE UTTARAKHAND ELECTION: A SMALL CONTEST WITH  
NATIONAL IMPLICATIONS

Classified By: Political Counselor Ted Osius for reasons 1.4 (B,D)

¶1. (C) Summary: Uttarakhand had the good sense in 2000 to break away from Uttar Pradesh (UP). This has spared the state from the chaotic and criminal regional parties that continue to destroy UP. Instead, Uttarakhand has a political system dominated by the two national parties - Congress and the BJP. Both are headed by grand old men who enjoy considerable local stature and have demonstrated their ample ability to run the state. Congress has used its tenure to develop what was an isolated and ignored corner of UP. The Congress Chief Minister, ND Tiwari, is a close confidant of the Gandhi dynasty and has used his influence to win generous financial aid for the state. Development is evident everywhere, but has been marred by rapacious political cronies who have fed on the easy money. Both Congress and the BJP have demonstrated that they can capably run Uttarakhand and have credible candidates to take over as Chief Minister. The electoral outcome is likely to be close and, with no landslide in evidence, will provide little mileage for the BJP or Congress in the crucial battle taking place next door in UP. End Summary.

A Small Himalayan State  
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¶2. (U) Uttarakhand (called "Uttaranchal" until its recent name change), is a small state (land area 53,483 square kilometers, population 8.5 million). It was carved out of Uttar Pradesh (UP) in 2000 by the then NDA government in response to the demand to be free of UP by those living in 13

Himalayan districts. Activists had argued since the 1970's that "hill-dwellers" maintained a separate and distinct culture and dialect and their interests were being ignored in the overly large state of UP, dominated by those from the Gangetic Plain. Since UP was ruled by the BJP in 2000, the new state inherited a BJP government with BS Koshiyari as Chief Minister. In the 2002 elections for the 70 member Legislative Assembly, Congress won 36 seats and the BJP 19, with the remainder going to various regional parties and independents. Despite the wide variance in seats, the electoral divide between the BJP and Congress was just over one percent. ND Tiwari, one of the "grand old men" of the Congress, and a native of Uttarakhand, was named Chief Minister after the BJP's defeat.

#### A New Election

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13. (U) Uttarakhand will return to the polls on February 21. There are 25 regional and small parties contesting, with 836 candidates vying for the 70 seats. Despite this, it is essentially a contest between the BJP and Congress, who are expected to win the lion's share of the seats. Tiwari, the incumbent Chief Minister, will be squaring off against Koshiyari, who hopes to return to his former position. On February 7-8, Poloff visited Uttarakhand capital Dehra Dun to assess the election campaign. While there, he met with CM Tiwari, BS Koshiyari, the leadership of the regional Uttarakhand Kranti Dal (UKD) and members of the business community and intelligentsia. The state was in the midst of electoral frenzy, with rallies and meetings scheduled

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everywhere. Each party had staked out its territory in various neighborhoods of the capital, decorating homes and businesses with party flags. Although flags of practically every party in India were visible, the vast majority were those of the BJP and Congress.

#### The Clash of the Titans

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14. (U) CM Tiwari (age 82) occupies a seemingly unassailable position in Uttarakhand. Prior to becoming Chief Minister of the new state, Tiwari was four times Chief Minister of UP and held several important Cabinet portfolios in New Delhi, including Minister of External Affairs and Minister of Finance. It was Tiwari who launched the political career of PM Manmohan Singh by appointing him to the Planning Commission, and at one time he was under serious consideration to be named Prime Minister. Likewise, Koshiyari has deep political ties to the Uttarakhand population and is well-regarded for his common touch and honest administration. The two men share a cordial and friendly relationship and have refrained from the mudslinging that characterizes politics in neighboring UP. In an unusual move, the BJP on February 5 denounced Tiwari and his administration, accusing him of neglecting the state and showing cowardice by choosing not to contest for a seat. BJP spokesman Ravi Shankar Prasad claimed that "Tiwari has deserted the ship because it's sinking. The Congress is now directionless, leaderless and in a state of perpetual conflict." He accused Congress of spreading corruption, as well as failing to tackle inflation, unemployment and law and order. Prasad also accused Congress of breaking election law by distributing money and saris in exchange for votes. Congress dismissed the allegations of improper behavior as "baseless" and insisted that Tiwari was very much in charge of the party election effort.

#### The Fly in the Ointment

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15. (C) Although Uttarakhand politics are largely a two-sided affair, smaller parties can play the role of spoiler, especially if the margin of victory is slim. The Uttarakhand

Kranti Dal (UKD) is just such a party. The UKD purports to be the voice of the poor farmers living in remote villages high in the Himalayas, who are culturally and linguistically distinct and largely deprived of electricity, running water, education, health care and other benefits enjoyed by Indians living in less remote locations. In a February 7 meeting with poloff, UKD leaders argued that they were in a position to become the kingmakers and ensure that their demands are met by whomever forms the government. Currently holding a mere four seats in the 70 member Legislature, the UKD leaders insisted that they would pick up "at least 10" seats and expected to emerge from the election with 15 seats. They predicted that neither the BJP nor Congress would win enough seats to form the government and would be forced to turn to the UKD. They maintained that they were willing to join any government that met their demands for an equitable distribution of the state's resources, and extension of electricity and basic services to "those villagers living at 12,000 feet."

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#### The Chief Minister in Waiting

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16. (C) In a subsequent meeting, BJP candidate for Chief Minister Bhagat Singh Koshiyari dismissed the UKD claims as empty rhetoric. He appeared completely nonplussed, predicting that the UKD would likely decline to two seats in this election. Koshiyari confirmed that the BJP is contesting all 70 seats with the object of winning a solid majority that would enable it to form the government without coalition partners. He predicted that the BJP tally would increase from the current 19 seats to approximately 40. Koshiyari pointed out that in the last election, the Congress victory margin was under two percent and that in many constituencies Congress won by margins of less than 1000 votes. Despite the harsh BJP's harsh anti-Tiwari rhetoric, Koshiyari praised the Congress Chief Minister as a highly capable and dedicated individual, while hinting that he has been in harness too long and should be put to pasture. Koshiyari, a veteran politician with long experience in tumultuous Indian politics, conceded that every party goes into every election with high hopes of victory, but that nothing is certain until election day. He did not rule out the possibility that the outcome could be close, forcing the parties to conduct protracted negotiations to form a coalition government.

#### The Grand Old Man of Congress

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17. (C) Chief Minister Tiwari took a big chunk out of his busy election schedule to meet with Poloff. He enjoyed the meeting so much, that he appeared unwilling to end it, and kept several high officials waiting. Speaking slowly and softly, Tiwari reminisced about his days spent with Jawaharlal Nehru and Mahatma Gandhi. He revealed that he is completely deaf in his left ear as the result of an illness suffered during a year-long imprisonment by the British authorities. Tiwari was purportedly so sick then that he was in a coma for over 30 days. Like Koshiyari, Tiwari refused to blow his own trumpet, expressing a quiet and restrained confidence that he would be able to retain power. Tiwari noted that the BJP was taking the Uttarakhand contest very seriously and was determined to unseat him, pointing out that the BJP leadership had instructed each sitting BJP Chief Minister to come to the state and campaign. He further noted that the BJP would send its stars to the most remote areas of the state to attract the voters. To counter this, Congress President Sonia Gandhi and Prime Minister Manmohan Singh will address large public gatherings. However, because of time constraints and security considerations, the Congress superstars will be confined to the cities, compelling villagers to come to them. To counter the BJP election drive, Tiwari has delegated Congress speakers to tail each of

the BJP campaigners and address Congress rallies one day after each BJP event. Tiwari maintained that he had a strong record to run on and was proud of his achievements. As one of the few remaining "freedom fighters" in the Congress leadership, he has a gravitas and charisma that are difficult to deny.

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Comment: It's All About Development  
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¶8. (C) Uttarakhand is one of the handful of states in India characterized by bipartisan politics. Despite the proliferation of small parties, only the BJP or Congress can form the government. By breaking away from UP, Uttarakhand escaped the regional party morass and lack of governance that has crippled politics in that state. Both Tiwari and Koshiyari are highly admired by the average voter, and the election is not tainted by the allegations of criminality that permeate UP. Tiwari is correct in emphasizing that, after five years in power, he has a record upon which to run. Uttarakhand has always been a sleepy backwater known primarily for some of India's most sacred Hindu pilgrimage sites. Under Tiwari, Dehra Dun has been transformed into a relatively modern state capital with paved roads, shopping centers and modern amenities. This has come at a price, however. Limited by law from expanding the cabinet, Tiwari has appointed often corrupt political cronies to the state's often bankrupt public sector corporations. They have indulged in wholesale looting, which even he cannot deny. BJP promises to clean house should it come to power have resonated with the voters. Likewise, Tiwari has a long close relationship with the Gandhi dynasty, and has gained extensive funding from New Delhi for impressive development projects.

¶9. (C) With the two parties so evenly matched, a landslide is unlikely. With a close outcome expected, the BJP or Congress may have to bring in some pliable "independents" to form the government. Of the upcoming electoral contests, UP remains the big prize. Congress remains beleaguered in that state and a credible victory in Uttarakhand would boost flagging spirits and enable the party to think big in UP. It is far more likely that the outcome will be very close, and Tiwari, the aging war-horse, could be narrowly defeated and finally compelled to leave politics. Such an outcome would allow the BJP to chalk up an electoral victory, but would do little to boost the BJP in UP or elsewhere. In an ideal world, the people of UP would look to Uttarakhand as a model of what to aspire to in a future era when regional parties lose their political dominance and the national parties return to clean up the mess. There is little to indicate that the people of UP are heeding Uttarakhand's lofty lesson.

¶10. (U) Visit New Delhi's Classified Website:  
(<http://www.state.sgov.gov/p/sa/newdelhi/>)  
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